

AUTOMOBILE COLLISION DAMAGE WAIVERS

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I. Filing requirement for Auto Rental Companies

(Minn. Stat. §72A.125, subd 3; Departmental Procedure) Auto rental companies are permitted to sell automobile collision damage waivers.¹ These waivers need be filed with the Department if and only if they contain exclusions. However, these waivers are NOT considered to be “insurance” and therefore neither filing fees nor transmittal forms need to be remitted with these submissions.

II. Permissible exclusions

(Minn. Stat. §72A.125, subd 3; Departmental Procedure) Collision damage waivers may include one or more of the following exclusions, as determined by the Commissioner. Exclusions other than those listed are NOT permitted.

- A. Damage or loss that results directly from the intentional, reckless, willful, or wanton misconduct of an authorized driver in the operation of a vehicle.
- B. Damage or loss that results directly from an authorized driver’s operation of a vehicle while legally intoxicated or under the influence of any illegal drugs, as defined or determined under the laws of the state in which the damage or loss occurred.
- C. Damage or loss that results directly from an authorized driver’s operation of a vehicle to tow or push cargo or any other object.
- D. Damage or loss arising out of the operation of a vehicle for any commercial purpose.
- E. Damage or loss arising out of the use of a vehicle in the commission of a criminal act, provided the use of the vehicle is substantially related to the criminal activity. In order for this exclusion to be applicable, the criminal activity must be classified as a felony under the laws of the state in which the criminal activity occurred.
- F. Damage or loss arising out of the operation of a vehicle in any speed test, speed contest, or driver training activity.

¹ “Collision damage waiver” is a discharge of the responsibility of a renter or lessee of a motor vehicle to return the vehicle in the same condition as when it was first rented.

- G. Damage or loss arising out of the operation of a vehicle outside the United States or Canada.
- H. Damage or loss which occurs to a vehicle if the renter provided fraudulent or false information and the rental company would not have rented the vehicle if it had received true information.
- I. Damage or loss arising out of the operation of a vehicle by an unauthorized driver.
- J. Damage or loss that occurs as the result of continued operation of a vehicle when such operation would cause damage to the vehicle (i.e. operating a vehicle after warning lights are illuminated, a flat tire occurs, or steam rises from the engine).